

Contact: Diana Gonzalez

ANNUAL REGENT STUDENT FINANCIAL AID STUDY

Action Requested: Receive the annual Regent student financial aid study.

Executive Summary: In response to the Board's request for information regarding the socio-economic status of students who receive financial aid at the Regent universities, the Board Office and university financial aid representatives designed and implemented the annual Regent Financial Aid Study in 2004. This study analyzes student financial aid by adjusted family income (AGI) of a segment of the population of financial aid recipients at the Regent universities and looks at characteristics of students receiving financial aid.

The results of the Regent Student Financial Aid Study conducted in Fall 2011 revealed that, in 2010-2011, there were 24,523 **full-time, resident, dependent undergraduate** FAFSA¹ filers who received and accepted financial aid at one of the Regent universities.² This is an increase of 678 students (+2.8%) from the prior year.

- ◇ At the three Regent universities, a financial aid package is designed for each student who applies and completes a FAFSA. The financial aid package, which includes a combination of grants/scholarships, work-study/employment, and loans³, is designed to meet each student's total financial need. However, frequently, students, especially those with a family AGI \leq \$15,000, do not accept certain components of the package, such as employment or loans. This results in what appears to be unmet financial need for the student.
- ◇ Financial need is calculated by subtracting the expected family contribution from the cost of attendance (tuition, fees, books, room and board, and personal expenses).
 - ### Unmet financial need results when the financial aid (grants/scholarships, loans, and work-study/employment) provided by the institution or other sources and accepted by the student is less than the total need.
 - ### Overmet financial need results when the financial aid accepted by the student primarily through non-need based programs exceeds total need. These dollars may be used to help defray the expected family contribution.
- ◇ Changes/Trends
 - ### Students with a family AGI $<$ \$15,000 tend to have a higher average total grant award and a smaller total loan award accepted while students with a family AGI \geq \$45,000 tend to have a smaller grant award and a higher total loan award accepted.
 - ### This is the second consecutive year of an increase in the number of full-time, resident, dependent undergraduate FAFSA filers.
 - ### Using the AGI criterion, the number of students whose average financial aid accepted exceeded the calculated need increased by 3,314 (+24.8%) from 13,353 to 16,667.

¹ FAFSA – Free Application for Federal Student Aid.

² There were approximately 35,450 full-time, resident undergraduates in Fall 2010.

³ From all sources.

- ◇ The Regent Financial Aid study reflects these characteristics:
 - ☛ The financial aid packages offered to students do not include institutional employment (other than work-study) or off-campus employment. Institutional and off-campus employment can be used by students to meet their financial need.
 - ☛ Except for programs such as ROTC and TEACH, federal grants are primarily need-based. State grants are also need-based. For institutional/private grants, there is a blend of need-based and merit-based aid.
 - ☛ Loans, such as Perkins and subsidized Stafford loans, require demonstration of financial need. Other loans, such as unsubsidized Stafford loans, PLUS, and alternative loans, do not require demonstration of need.
 - ☛ A reduction in the availability of private educational loans in 2009-2010 resulted in an increase in the number of federal loans.

**FAMILY ADJUSTED GROSS INCOME AND AVERAGE UNMET NEED
2010-2011**

Family Income Range by AGI	Number & % of Students (n=24,523)	Average EFC	Average Total Need	Average Total Grants (n=17,571)	Average Total Work-Study (n=2,236)	Average Total Loans ¹ (n=21,003)	Average Total Financial Aid Accepted (n=24,523)	Average Financial Need Not Met by Total Financial Aid Accepted
<\$15,000	1,048 (4.3%)	\$833	\$18,748	\$9,200 (n=1,028)	\$2,147 (n=181)	\$7,301 (n=859)	\$15,392 (n=1,048)	\$3,357
\$15,000 - \$29,999	1,640 (6.7%)	\$551	\$18,841	\$8,934 (n=1,627)	\$2,330 (n=323)	\$6,784 (n=1,399)	\$15,120 (n=1,640)	\$3,720
\$30,000 - \$44,999	2,320 (9.5%)	\$2,435	\$17,044	\$7,531 (n=2,271)	\$2,182 (n=384)	\$7,562 (n=2,001)	\$14,269 (n=2,320)	\$2,774
\$45,000 - \$59,999	2,848 (11.6%)	\$5,134	\$14,524	\$5,645 (n=2,585)	\$2,490 (n=452)	\$7,944 (n=2,480)	\$12,795 (n=2,848)	\$1,729
\$60,000 - \$74,999	3,162 (12.9%)	\$8,539	\$11,471	\$4,454 (n=2,401)	\$2,478 (n=411)	\$9,056 (n=2,840)	\$11,841 (n=3,162)	-\$371
\$75,000 - \$89,999	3,255 (13.3%)	\$12,442	\$7,885	\$3,625 (n=2,174)	\$2,302 (n=277)	\$9,711 (n=2,905)	\$11,284 (n=3,255)	-\$3,399
>\$90,000	10,250 (41.7%)	\$27,774	\$2,382	\$3,245 (n=5,485) ²	\$2,198 (n=208)	\$9,865 (n=8,519)	\$9,980 (n=10,250)	-\$7,598

- ◇ At the University of Iowa, there were 7,053 students in this study who received and accepted financial aid in 2010-2011.³ This is an increase of 69 students (+1.0%) from the prior year.

¹ Includes PLUS.

² Primarily institutional/private grants.

³ Does not include PLUS.

- ◇ At Iowa State University, there were 10,415 students in this study who received and accepted financial aid in 2010-2011. This is an increase of 59 students (+0.6%) from the prior year.
- ◇ At the University of Northern Iowa, there were 7,055 students in this study who received and accepted financial aid in 2010-2011. This is an increase of 550 students (+8.5%) from the prior year.
- ◇ Using family income as the criterion, there were 24,523 students who received any type of financial aid in 2010-2011. Approximately 11% had a family AGI < \$30,000; ≈22% had a family AGI of \$30,000-\$59,999; ≈26% had a family AGI of \$60,000-\$89,999; and ≈41% had a family AGI ≥\$90,000.
 - In 2010-2011, there were 17,571 students who received some type of grant award; this represents an increase of 1,036 students (+6.3%) from the prior year.
 - ⇒ For students with a family AGI <\$30,000, the average grant award was \$9,037 compared to \$8,768 (+3.1%) the prior year.
 - ⇒ For students with a family AGI of \$30,000-\$59,999, the average grant award was \$6,527 compared to \$6,257 (+4.3%) the prior year.
 - ⇒ For students with a family AGI of \$60,000-\$89,999, the average grant award was \$4,060 compared to \$4,064 (-0.1%) the prior year.
 - ⇒ For students with a family AGI ≥\$90,000, the average grant award was \$3,245 compared to \$3,248 (-0.1%) the prior year.
 - In 2010-2011, there were 21,003 students who received some type of loan¹; this represents an increase of 553 (+2.7%) from the prior year.
 - ⇒ For students with a family AGI <\$30,000, the average loan award was \$6,981 compared to \$6,857 (+1.8%) the prior year.
 - ⇒ For students with a family AGI of \$30,000-\$59,999, the average loan award was \$7,944 compared to \$7,899 (+0.6%) the prior year.
 - ⇒ For students with a family AGI of \$60,000-\$89,999, the average loan award was \$9,387 compared to \$9,421 (-0.4%) the prior year.
 - ⇒ For students with a family AGI ≥\$90,000, the average loan award was \$9,865 compared to \$9,849 (+0.2%) the prior year.

All students included in the financial aid study received some type of financial aid. However, the largest proportion of the students (≈86%) received a loan; ≈63% received an institutional or private grant; ≈34% received a federal grant; ≈9% received work-study funds; and ≈4 received a state grant.

¹Includes PLUS.